

SB2441



99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

SB2441

Introduced 2/9/2016, by Sen. Jennifer Bertino-Tarrant

SYNOPSIS AS INTRODUCED:

35 ILCS 5/218

Amends the Illinois Income Tax Act. Provides that the credit for student assistance contributions sunsets on December 30, 2025 (instead of December 30, 2020). Provides that the credit for student-assistance contributions may not exceed \$1,000 (currently, \$500) per contributing employee per taxable year.

LRB099 16336 HLH 40668 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning revenue.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Income Tax Act is amended by
5 changing Section 218 as follows:

6 (35 ILCS 5/218)

7 Sec. 218. Credit for student-assistance contributions.

8 (a) For taxable years ending on or after December 31, 2009
9 and on or before December 30, 2025 ~~December 30, 2020~~, each
10 taxpayer who, during the taxable year, makes a contribution (i)
11 to a specified individual College Savings Pool Account under
12 Section 16.5 of the State Treasurer Act or (ii) to the Illinois
13 Prepaid Tuition Trust Fund in an amount matching a contribution
14 made in the same taxable year by an employee of the taxpayer to
15 that Account or Fund is entitled to a credit against the tax
16 imposed under subsections (a) and (b) of Section 201 in an
17 amount equal to 25% of that matching contribution, but not to
18 exceed \$1,000 ~~\$500~~ per contributing employee per taxable year.

19 (b) For partners, shareholders of Subchapter S
20 corporations, and owners of limited liability companies, if the
21 liability company is treated as a partnership for purposes of
22 federal and State income taxation, there is allowed a credit
23 under this Section to be determined in accordance with the

1 determination of income and distributive share of income under
2 Sections 702 and 704 and Subchapter S of the Internal Revenue
3 Code.

4 (c) The credit may not be carried back. If the amount of
5 the credit exceeds the tax liability for the year, the excess
6 may be carried forward and applied to the tax liability of the
7 5 taxable years following the excess credit year. The tax
8 credit shall be applied to the earliest year for which there is
9 a tax liability. If there are credits for more than one year
10 that are available to offset a liability, the earlier credit
11 shall be applied first.

12 (d) A taxpayer claiming the credit under this Section must
13 maintain and record any information that the Illinois Student
14 Assistance Commission, the Office of the State Treasurer, or
15 the Department may require regarding the matching contribution
16 for which the credit is claimed.

17 (Source: P.A. 96-198, eff. 8-10-09.)